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SENATE BILL 139

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

BILLY J. MCKIBBEN

AN ACT

RELATING TO TAXATION; INCREASING THE RATE OF THE CIGARETTE
TAX; DISTRIBUTING ADDITIONAL REVENUES FOR SUPPORT OF CERTAIN
PROGRAMS; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. [NEW MATERIAL] CHILD HEALTH FUND CREATED--
PURPOSE-- ADMINISTRATION.--The "child health fund" is created
in the state treasury. The fund consists of cigarette tax
revenue as distributed pursuant to Section 7-1-6.11 NMSA 1978.
The fund shall be administered by the human services
department. Money in the fund shall be appropriated by the
legislature to the department to provide child health services
pursuant to the Child Health Act, if enacted into law by the
forty-third legislature. Money in the fund shall not revert
at the end of any fiscal year.

Underscored material = new
[bracketed material] = delete

1 Section 2. A new section of the Public Assistance Act is
2 enacted to read:

3 "[NEW MATERIAL] FUND CREATED-- PURPOSE-- ADMINISTRATION--
4 APPROPRIATION.--The "medicaid services fund" is created in the
5 state treasury. The fund consists of cigarette tax revenue as
6 distributed pursuant to Section 7-1-6.11 NMSA 1978. The fund
7 shall be administered by the human services department. Money
8 in the fund shall be appropriated by the legislature to the
9 department to provide medical services to those medicaid
10 clients who were eligible for services as of July 1, 1997 in
11 part due to their income being no more than one hundred
12 eighty-five percent of the federal poverty level. Money in
13 the fund shall not revert at the end of any fiscal year. "

14 Section 3. Section 7-1-6.11 NMSA 1978 (being Laws 1983,
15 Chapter 211, Section 16, as amended) is amended to read:

16 "7-1-6.11. DISTRIBUTIONS OF CIGARETTE TAXES.--
17 A. A distribution pursuant to Section 7-1-6.1 NMSA
18 1978 shall be made to the county and municipality recreational
19 fund in an amount equal to [~~four and three-quarters~~] two and
20 fifty-seven hundredths percent of the net receipts, exclusive
21 of penalties and interest, attributable to the cigarette tax.

22 B. A distribution pursuant to Section 7-1-6.1 NMSA
23 1978 shall be made to the county and municipal cigarette tax
24 fund in an amount equal to [~~nine and one-half~~] five and
25 fourteen hundredths percent of the net receipts, exclusive of

Underscored material = new
[bracketed material] = delete

1 penalties and interest, attributable to the cigarette tax.

2 C. A distribution pursuant to Section 7-1-6.1 NMSA
3 1978 shall be made to the cancer center at the university of
4 New Mexico school of medicine in an amount equal to [~~four and~~
5 ~~three quarters~~] seven and sixteen hundredths percent of the
6 net receipts, exclusive of penalties and interest,
7 attributable to the cigarette tax.

8 D. A distribution pursuant to Section 7-1-6.1 NMSA
9 1978 shall be made to the New Mexico finance authority in an
10 amount equal to [~~seven and one eighth~~] three and eighty-six
11 hundredths percent of the net receipts, exclusive of penalties
12 and interest, attributable to the cigarette tax.

13 E. A distribution pursuant to Section 7-1-6.1 NMSA
14 1978 shall be made to the medicaid services fund in an amount
15 equal to eleven and forty-seven hundredths percent of the net
16 receipts, exclusive of penalties and interest, attributable to
17 the cigarette tax.

18 F. Contigent upon passage of the Child Health Act
19 by the forty-third legislature, a distribution pursuant to
20 Section 7-1-6.1 NMSA 1978 shall be made to the child health
21 fund in an amount equal to twenty-nine and eighty-six
22 hundredths percent of the net receipts, exclusive of penalties
23 and interest, attributable to the cigarette tax. "

24 Section 4. Section 7-12-3 NMSA 1978 (being Laws 1971,
25 Chapter 77, Section 3, as amended) is amended to read:

. 120872. 1

1 "7-12-3. EXCISE TAX ON CIGARETTES--RATES.--

2 A. For the privilege of selling, giving or
3 consuming cigarettes in New Mexico, there is levied an excise
4 tax at the rate of [~~one and five hundredths cents (\$.0105)~~]
5 two and five-hundredths cents (\$.0205) for each cigarette
6 sold, given or consumed in this state.

7 B. The tax imposed by this section shall be
8 referred to as the "cigarette tax". "

9 Section 5. EFFECTIVE DATES.--

10 A. The effective date of the provisions of Section
11 3 of this act is August 1, 1998.

12 B. The effective date of the provisions of
13 Sections 1, 2 and 4 of this act is July 1, 1998.

1 FORTY-THIRD LEGISLATURE

2 SECOND SESSION, 1998

3
4
5
6 January 29, 1998

7
8 Mr. President:

9
10 Your COMMITTEES' COMMITTEE, to whom has been referred

11
12 SENATE BILL 139

13
14 has had it under consideration and finds same to be GERMANE, in
15 accordance with constitutional provisions, and thence referred to the
16 PUBLIC AFFAIRS COMMITTEE.

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19 Respectfully submitted,

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24 _____
25 Manny M. Aragon, Chairman

Underscored material = new
~~[bracketed material]~~ = delete

Adopted _____ Not Adopted _____

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(Chief Clerk)

(Chief Clerk)

Date _____

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